

MONTANA: EXPORTS, JOBS, AND FOREIGN INVESTMENT

Exports Mean Jobs for Montana's Workers

- About 6.4 percent of all manufacturing workers in Montana depend on exports for their jobs—roughly one out of every 15 jobs. Nationally, one of every five manufacturing workers is supported by exports (20.5 percent). (2001 data latest available)
- Export-supported jobs account for an estimated 1.4 percent of Montana's total private-sector employment. This is below the national figure of 6.5 percent (one of every 15 jobs). (2001 data latest available)

Note: Export-related jobs estimates include only jobs supported by exports of manufactured goods; jobs generated by exports of services are excluded. Consequently, the numbers understate the total employment impact of exports on the U.S. economy.

Source: State Export-Related Employment Project, International Trade Administration & Census Bureau.

Exports Help Sustain Hundreds of Montana Firms—Small As Well As Large

- A total of 910 companies exported goods from Montana locations in 2001. Of those, 786 (86 percent) were small and medium-sized enterprises with fewer than 500 employees.
- Small and medium-sized firms generated 47 percent of Montana's total exports of merchandise in 2001. That was the seventh highest percentage among the 50 states.

Source: Exporter Data Base, International Trade Administration & Census Bureau

Economic Globalization: A Two-Way Street for Montana

- In 2002, majority-owned affiliates of foreign companies employed 5,800 workers in Montana.
- Nearly one-third of these foreign-investment-supported jobs (32.8 percent or 1,900 workers) were in the manufacturing sector in 2002.
- Majority-owned affiliates of foreign firms accounted for 10.3 percent of total manufacturing employment in Montana in 2001.
- Foreign investment in Montana was responsible for 1.8 percent of the state's total private-industry employment in 2001.
- Major sources of Montana's foreign-investment-supported jobs in 2002 were Germany, the United Kingdom, France, Switzerland, and Japan.

Note: All figures exclude employment in banks affiliated with foreign companies.

Source: Bureau of Economic Analysis

Montana Depends on World Markets

- Montana's export shipments of merchandise in 2003 totaled \$361 million.

- Montana exported globally to 87 foreign destinations in 2003. The state's largest market in 2003, by far, was NAFTA member Canada, which received goods exports of \$221 million (61 percent) of Montana's total exports that year. Canada was followed by Japan (\$27 million) and the Netherlands (\$12 million). Other top markets included Mexico and China.
- China is Montana's biggest growth market, in dollar terms. Export shipments to China rose from \$1.3 million in 1999 to \$10.2 million in 2003, an increase of \$8.9 million. Other countries which recorded large increases in merchandise exports from Montana over this period were Taiwan (up \$6.3 million), the Netherlands (up \$5.9 million), and Chile (up \$5.2 million).
- Of Montana's 10 major markets, exports to China grew the fastest over the 1999-2003 period, increasing 679 percent from \$1.3 million to \$10.2 million. Montana's exports also grew rapidly to Taiwan (up 234 percent), the Netherlands (up 99 percent), and France (up 69 percent).
- Montana's leading manufactured export category is chemical manufactures, which alone accounted for \$65 million, or 18 percent, of Montana's total export shipments in 2003. Other top manufactured exports included machinery manufactures (\$59 million), non-metallic mineral manufactures (\$30 million), and paper products (\$28 million).
- In dollar terms, Montana's leading manufactured export growth category is chemical manufactures. Export shipments of these products during the 1999-2003 period grew from \$33 million to \$65 million. Other manufactured export categories that registered large dollar growth from 1999 to 2003 were non-metallic mineral manufactures (up \$14 million), paper products (up \$11 million), and machinery manufactures (up \$8 million).
- In percentage terms, Montana's fastest-growing manufactured export category has been plastics and rubber products, which grew 242 percent from some \$643,000 in 1999 to \$2.2 million in 2003. Other rapidly growing manufactured exports during this period were fabric mill products (up 184 percent); apparel manufactures (up 163 percent); electrical equipment, appliances, and parts (up 109 percent); non-apparel textile products (up 105 percent); and petroleum and coal products (up 104 percent).

Source: Origin of Movement State Export Series, Bureau of the Census.

Caution: The Origin of Movement series allocates exports to states based on transportation origin, i.e., the state from which goods began their journey to the port (or other point) of exit from the United States. The transportation origin of exports is not always the same as the location where the goods were produced. Consequently, conclusions about "export production" in a state should not be made solely on the basis of the Origin of Movement state export figures.

Prepared by the Office of Trade and Industry Information, International Trade Administration, U.S. Department of Commerce.